

FILED IN UNITED STATES DISTRICT
COURT, DISTRICT OF UTAH
AUG 05 2013
BY D. MARK JONES, CLERK
DEPUTY CLERK

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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

PRAKESH SHARMA and ALDAR
LAAS,

Defendants.

Case No. 2:13mj316 PMW

SEALED

COMPLAINT

VIOS.: 18 U.S.C. 371

CONSPIRACY;

18 U.S.C. 545 SMUGGLING

GOODS INTO THE UNITED

STATES; 18 U.S.C. §1341, MAIL

FRAUD; 18 U.S.C. §2318

TRAFFICKING IN

COUNTERFEIT LABELS; and,

18 U.S.C. § 2320, TRAFFICKING
IN COUNTERFEIT GOODS.

Magistrate Judge Paul Warner

Before a United States Magistrate Judge for the District of Utah, appeared the
undersigned, who on oath deposes and says:

Count 1
18 U.S.C. §§ 545 and 371
Smuggling Goods into the United States

On or between November 2012 and April 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and DAVID MERRILL, the defendants herein, did fraudulently and knowingly import or bring into the United States, any merchandise in violation of 18 U.S.C. §§ 545 and 371, and did conspire to do the same. To wit: LAAS did knowingly arrange in conjunction with SHARMA to have counterfeit toner cartridges delivered from Hong Kong to David MERRILL in Utah in April of 2013.

Count 2
18 U.S.C. §§ 545 and 371
Smuggling Goods into the United States

On or between April of 2013 and July 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and PAVEL VASILYEV, the defendants herein, did fraudulently or knowingly import or bring into the United States, any merchandise in violation of 18 U.S.C. §§ 545 and 371, and did conspire to do the same. To wit: LAAS did knowingly arrange, in conjunction with SHARMA,

to have 200 counterfeit toner cartridges shipped from Hong Kong and received by VASILYEV in Utah in July of 2013.

Count 3
18 U.S.C. §§1341 and 371
Mail Fraud

On or between November 2012 and April 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, DAVID MERRILL,

the defendants herein, for the purpose of executing the scheme and artifice to defraud explained in this complaint, did deposit or caused to be deposited any matter or thing whatever to be delivered, and did cause to be delivered, by any commercial interstate carrier, the following matter: LAAS in conjunction with SHARMA and Merrill, caused three packages of counterfeit HP toner cartridges totaling 50 cartridges in March of 2013 to be shipped via FedEx. The packages were shipped from Hong Kong and were delivered to a Salem, Utah address and received by MERRILL on or about March 25, 2013, all in violation of 18 U.S.C. §§1341 and 371, and punishable by the same.

Count 4
18 U.S.C. §§1341 and 371
Mail Fraud

On or between April 2013 and July 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and PAVEL VASILYEV, the defendants herein, for the purpose of executing the scheme and artifice to defraud explained in this complaint, did deposit or caused to be deposited any matter or thing whatever to be delivered, and did cause to be delivered, by any commercial interstate carrier, the following matter: LAAS in conjunction with SHARMA and VASILYEV, caused 200 counterfeit HP toner cartridges to be shipped via FedEx in June and July of 2013. The packages were shipped from Hong Kong and were delivered to a Salem, Utah address and received by VASILYEV in July of 2013, all in violation of 18 U.S.C. §§1341 and 371, and punishable by the same.

Count 5
18 U.S.C. §§ 2318 and 371
Trafficking in Counterfeit Labels

On or between November of 2012 and April 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and DAVID MERRILL
the defendants herein, did knowingly use the mail or a facility of foreign commerce
in the commission of the offense of trafficking in counterfeit documentation,
labeling and packaging, and did conspire to do the same, to wit: LAAS in
conjunction with SHARMA and MERRILL, did in April 2013, knowingly mail
from Hong Kong to Utah, counterfeit HP toner cartridges and counterfeit Enduring
Design boxes with reused genuine HP security labels affixed to the boxes, all in
violation of 18 U.S.C. §§ 2318 and 371, and punishable by the same.

Count 6
18 U.S.C. §§ 2318 and 371
Trafficking in Counterfeit Labels

On or between June of 2013 and July 11, 2013, in the Central Division of the
District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and PAVEL VASILYEV
the defendants herein, did knowingly use the mail or a facility of foreign commerce
in the commission of the offense of trafficking in counterfeit documentation,
labeling and packaging, and did conspire to do the same, to wit: the defendants did in
June and July of 2013, knowingly mail from Hong Kong to Utah, counterfeit HP
toner cartridges and counterfeit Enduring Design boxes with reused genuine HP

security labels affixed to the boxes. All in violation of 18 U.S.C. §§ 2318 and 371, and punishable by the same.

Count 7
18 U.S.C. §§ 2320 and 371
Trafficking in Counterfeit Goods

On or between November 2012 and April 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS and PRAKESH SHARMA, and DAVID MERRILL, the defendants herein, did traffic in goods and knowingly used a counterfeit mark on and in connection with such goods, and did traffic in labels, stickers and packaging of any kind knowing that a counterfeit mark has been applied thereto that is likely to cause mistake or deceive, and did conspire to do the same, to wit: LAAS in conjunction with SHARMA and MERRILL, did in exchange for approximately \$2,000, transmit a total of approximately 50 counterfeit HP toner cartridges in packaging bearing spurious marks substantially indistinguishable from genuine HP products. These cartridges were contained within counterfeit Enduring Design boxes, and reused genuine HP security labels were affixed to many boxes, all in violation of 18 U.S.C. §2320 and 371, and punishable by the same.

Count 8
18 U.S.C. §§ 2320 and 371
Trafficking in Counterfeit Goods

On or between April of 2013 and July 11, 2013, in the Central Division of the District of Utah,

ALDAR LAAS, PRAKESH SHARMA, and PAVEL VASILYEV, the defendants herein, did traffic in goods and knowingly used a counterfeit mark on and in connection with such goods, and did traffic in labels, stickers and packaging of any kind knowing that a counterfeit mark has been applied thereto that is likely to cause mistake or deceive, and did conspire to do the same, to wit: LAAS in conjunction with SHARMA and VASILYEV did, in exchange for approximately \$8,000, transmit a total of approximately 200 counterfeit HP toner cartridges in packaging bearing counterfeit marks substantially indistinguishable from genuine HP products on two distinct occasions. These cartridges were contained within counterfeit Enduring Design (black) boxes, and reused genuine HP security labels were affixed to many boxes; all in violation of 18 U.S.C. §§2320 and 371, an punishable by the same.

Complainant states that this complaint is based on information obtained

through investigation consisting of the following:

I am a special agent with Homeland Security Investigations (HSI) and have been so since April 2007. Prior to my employment with HSI, I was employed as a United States Border Patrol Agent in Yuma, Arizona. I am currently assigned to the Assistant Special Agent in Charge in Salt Lake City, Utah. While employed with HSI, I have attended numerous training courses, including the Immigration and Customs Enforcement Special Agent Training course and the Criminal Investigator Training Program. During my time as a special agent I have directed or otherwise been involved in investigating violations of federal law, including the illegal transfer and export of commodities, information, and services from the United States, money laundering, fraud against the government, and general smuggling.

In November 2012, representatives of Hewlett Packard (HP) received information that an Indian national living in Hong Kong named Prakesh SHARMA, was involved in the importation and sale of counterfeit HP products in the U.S. The representatives of HP then placed an order with SHARMA and received 10 confirmed counterfeit HP toner cartridges by March 2013.

In March 2013, the HP representatives placed a second order for 50 counterfeit HP toner cartridges for a total of \$2,000. To complete this transaction,

SHARMA agreed to have the counterfeit HP products shipped directly to an individual named Alder LAAS, who was SHARMA's U.S. representative in the State of Utah. SHARMA further agreed to have the cartridges shipped to LAAS's address in West Jordan, Utah because of the risk involved in having counterfeit products shipped directly to a business address. SHARMA provided the HP representative with three FedEx tracking numbers and other shipping details when the cartridges were mailed out in March 2013. The tracking numbers indicated that the packages were shipped to 690 S. 240 E. Salem, Utah 84653, and were signed for by a D. MERRILL on March 25, 2013.

On April 11, 2013, the HP representative and an HSI Special Agent made arrangements to pick up the 50 HP toner cartridges shipped to David MERRILL. Over the phone the HP representative and the HSI Special Agent were told by David MERRILL that he had received the shipment of cartridges for LAAS. The HP representative and the HSI special agent then met with the brother of David Merrill in person and used the internet based communication software "Skype" to communicate with LAAS remotely during this transaction. The HP investigator and the HSI undercover agent took possession of the cartridges during this meeting and confirmed that all were counterfeit HP products. The cartridges were contained

within counterfeit Enduring Design (black) boxes. Additionally, a reused genuine HP security label was affixed to each box.

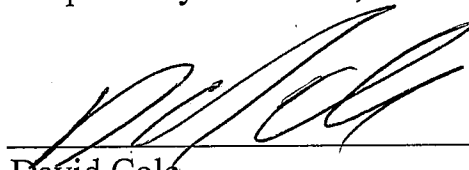
After this transaction, and later in April of 2013, LAAS informed the HSI special agent that his assistant VASILYEV living in West Jordan, Utah would receive any future shipments to Utah. In May of 2013, the HP investigator completed with LAAS the arrangements for another shipment of counterfeit HP toners cartridges from SHARMA to his Utah associates. This time the order was for 200 cartridges for approximately \$8,000. In June 2013, SHARMA allowed representatives from HP to inspect the cartridge packages where they were stored in Hong Kong. In July 2013, the HSI undercover agent was given a FedEx tracking number from LAAS indicating that the shipment had been picked up in Hong Kong on July 2, 2013 and were being shipped to the United States.

The packages were picked up by the HP representative and the HSI special agent on July 11, 2013 from VASILYEV in West Jordan, Utah. Again, these products were determined to be counterfeit by representatives from HP.

Furthermore, all parties named in this complaint have admitted knowledge during the course of these transactions that the HP products at issue are counterfeit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Respectfully submitted,



David Cole
Special Agent
Homeland Security Investigations

Subscribed and sworn to before me on 5 August 2013



Paul M. Warner
United States Magistrate Judge

